

Michigan Department of Transportation

Information Required for Financial Reviews of Non-Profit Organizations

Current financial information and financial statements must be submitted by your organization. **If you are selected for a contract with MDOT, the financial review will be delayed if your financial information is more than one year old.**

1. To accurately evaluate your **accounting system**, the following information must be supplied:
 - a. A description of how direct and indirect labor and other costs are identified and recorded. Refer to OMB Circular A-122, for direct and indirect cost eligibility criteria.
 - b. A description of how project costs are segregated and accumulated.
 - c. A sample of a completed time report.
 - d. A sample of a project cost report for a current project.
 - e. A current chart of accounts.
 - f. Name of the person to contact for accounting related questions.
2. For any fiscal year in which the organization has received over \$500,000 in federal revenue, the organization is required to have a single audit conducted. If a single audit is required, the most recent single audit report must be submitted. If the federal revenue is less than \$500,000, a written statement must be submitted stating a single audit is not required.
3. The following information will be required before a contract can be executed:
 - a. A copy of an independent auditor's report on your overhead/indirect cost rate, if available, developed in accordance with OMB circular A122. This could be an audit performed by any federal, state or local audit agency. If you don't have an auditor's report on overhead/indirect cost rates, you **MUST** submit an overhead/indirect cost rate computation that ties to the financial statements submitted with the rate computation. The overhead rate must be based on the time period consistent with your most recently completed fiscal year.
 - b. A listing of all audits performed in the last three (3) fiscal years by any federal, state, or local agency. Include the name, address, and phone number of the party performing the audit and the nature of the audit. Identify any audit that is in dispute, or has not been issued.
 - c. Support for actual labor rates (not billable rates) of individuals assigned to similar projects. This can be a copy of the most recent payroll register with classifications noted or a listing of the employees by name, job title and pay rate as certified by a company officer. The classifications used in the cost proposal must be consistent with those on file.
 - d. A signed statement by a corporate officer attesting that all information is true and accurate, that you are aware of the applicable federal cost eligibility and documentation requirements, and that any working papers related to your independent audit will be made available to MDOT to review. Inspect and/or copy if MDOT deems it necessary.